

11/21/2019

Dear TeamHealth Colleagues:

TeamHealth is deeply proud that our physicians and advanced practice clinicians across the country provide lifesaving and high quality care to all patients regardless of their ability to pay. TeamHealth doctors and clinicians are on the front lines of patient care, fighting for patients to ensure that everyone who seeks our services is treated.

In the national debate over surprise medical billing, we have taken an industry leading position by committing to keep patients out of the middle of payment disputes with payors. When an insurer arbitrarily underpays our bill, as a matter of policy, we do not bill the patient. Instead, we pursue legal action against insurers to get them to uphold their financial commitments to their own customers. We will not take the fight to the patient.

“Surprise medical bills” happen when insurers underpay their obligations to physicians and ask us to pass the remainder of the bill to our patients, but they do not tell the full story of how insurers benefit from cost-shifting practices. Patients can also receive an unexpectedly large and burdensome bill due to unexpected copayments, high co-insurance, or ever-increasing deductibles. Current legislative proposals to address surprise medical bills still do not cap the significant financial burden that insurance companies can place on their members through cost shifting.

Over the last five years, the number of covered workers with deductibles of over \$1,000 has grown by 51 percent and now exceeds half of all Americans with a commercial insurance plan. Over one-third of Americans have a deductible of over \$2,000 - a challenging amount for the majority of U.S. households. Insurers have not hesitated to continuously increase the burden of medical debt on families and they have placed the responsibility for collection of that debt on physicians.

As insurance have increasingly refused to pay for the full cost of medical care and instead put that burden on patients through higher deductibles and co-pays, patients are essentially being asked to pay more for care before their insurance plan kicks in. As a result, more patients are unable to afford their medical bills.

With the number of these cases on the rise, TeamHealth understands the impact on our patients. While many doctors and hospitals have been forced to collect unpaid accounts as a standard practice, we have been undertaking a review of our third-party service provider's filing of lawsuits. We've determined to discontinue this practice immediately and will direct our third-party provider not to further pursue any pending cases. Effective December 1, 2019, we are implementing discount policies for our uninsured population to reduce the cost of care by as much 90 percent, and up to 100 when necessary. We will proactively include eligibility criteria in our invoices to help promote participation rather than force patients to seek assistance. TeamHealth will not take any patient to court for unpaid balances.

We are part of a broad coalition of physicians across the country that fully support banning surprise medical bills through federal legislation. From the beginning, TeamHealth, our leadership

team, and our shareholders have been actively working to reach a comprehensive legislative solution that does not shift further financial power to insurers at the expense of physicians and patients. Any bill must recognize the importance of protecting patients while preserving our fragile medical delivery system. Insurers cannot be the final voice in determining fair payment rates. We believe any legislation should also be expanded to cap or eliminate the vast majority of surprise bills – insurer-imposed copayments and deductibles.

Sincerely,

Leif Murphy  
President & CEO  
TeamHealth